## AMENDED IN ASSEMBLY APRIL 9, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

## ASSEMBLY BILL

No. 1606

## **Introduced by Assembly Member Shirley Horton**

February 21, 2003

An act to amend Section 21313 of add Section 22816.1 to the Government Code, relating to public employees' retirement health benefits.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1606, as amended, Shirley Horton. Public employees' retirement: allowance adjustments health benefits: military duty.

The Public Employees' Medical and Hospital Care Act authorizes specified state employees enrolled in a health benefits plan to continue their enrollment, and the enrollment of their family members, in the plan during an approved leave of absence or for up to one year after being laid off.

This bill would authorize an employee of a contracting agency and his or her family members to continue their enrollment in a health benefits plan for up to one year while the employee is on military duty.

Under the Public Employees' Retirement Law, monthly allowances are adjusted according to changes in the cost of living, as specified. These adjustments are made annually for time commencing April 1 and are reflected in the monthly allowance payable May 1.

Under this bill, these adjustments would instead be made for time commencing January 1 and would be reflected in the monthly allowance payable February 1, beginning February 1, 2004.

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Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 21313 of the Government Code is
- 2 SECTION 1. Section 22816.1 is added to the Government 3 Code, to read:
- 4 22816.1. An employee of a contracting agency and his or her
- 5 family members may continue enrollment in a health benefits plan
- 5 under this part if the employee is granted a leave of absence by the
- 7 contracting agency for military duty. The coverage may continue
- 8 for up to one year.
- 9 amended to read:
- 10 21313. Monthly allowances shall be adjusted annually for time commencing on January 1 and effective with the monthly
- 12 allowance regularly payable on the first day of February beginning
- 13 with February 1, 2004. The adjusted monthly allowance shall be
- equal to the base allowance multiplied by an adjustment factor that
- is equal to the ratio obtained by dividing the consumer price index
- 16 for the immediately preceding year by the consumer price index
- 17 for the recipient's base year. The adjustments shall be subject to the
- 18 conditions and limits provided in this article.